AUTHORIZATION TO ACQUIRE 5101 and 5115R SOUTH BROAD STREET

Philadelphia Regional Port Authority
Resolution No. 2026-xx
August 19, 2026

WHEREAS, the Philadelphia Regional Port Authority ("PRPA" or "PhilaPort") has been authorized under Section 6 of the Act of July 10, 1989, P.L. 291, No. 50, 55 P.S. Sections 697.1-697.24 of the General Assembly of the Commonwealth of Pennsylvania (the "PRPA Act") to expand industrial and commercial activities of the Commonwealth in the operation and management of port facilities and port-related facilities; and

WHEREAS, Section 6(a)(5) of the PRPA Act further provides, in part, that PhilaPort may acquire, by gift or otherwise, purchase, hold, and receive property, real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the purposes of the Authority; and

WHEREAS, PhilaPort is authorized to expand and enhance the operation of the port and port-related facilities to facilitate the transportation for the handling, storage, loading and unloading of freight, cargo, equipment, materials, supplies and other port-related projects relating to industrial and commercial development; and

WHEREAS, PhilaPort staff have determined that the location identified as 5101 and 5115 R South Broad Steet, Philadelphia, PA currently owned by 5101 South Broad Street Associates, L.P. provides the Port with a significant opportunity to both align and further develop its economic business model and to be in close proximity to its core operations and key assets; and,

WHEREAS, the owner and PhilaPort have determined a purchase price of $22.6M to acquire the property subject to certain conditions, contingencies, and approvals; and

WHEREAS, the Board of PhilaPort has determined, on the basis of information provided to it (which information is attached hereto as Exhibit "A" and incorporated herein by reference) to approve PhilaPort's acquisition of 5101 and 5115R South Christopher Columbus Boulevard, Philadelphia, PA.

NOW, THEREFORE, BE IT RESOLVED:

1.PhilaPort hereby authorizes its staff to enter into a Purchase and Sales Agreement for the acquisition of 5101 and 5115R South Broad Street, Philadelphia, PA.

2.The Executive Director and CEO of PhilaPort, with the advice of its Chief Counsel, is hereby authorized and directed to negotiate the specific terms and conditions of the agreements and the Executive Director and CEO is hereby authorized and directed to execute, acknowledge and deliver on behalf of PhilaPort any agreements, documents or other instruments as may be necessary to effectuate such arrangements.

AUTHORIZATION TO ACQUIRE 5101 and 5115R SOUTH BROAD STREET

Philadelphia Regional Port Authority
Resolution No. 2026-xx
August 19, 2026

MOVED:

SECONDED:

APPROVAL:

Qualified Majority Required: YES

Pearson*

Bryan**

Butler**

Clark*

Cuff**

Maser*

Shacklett**

Santone***

Skoutelas***

Perelman*

Gubernatorial Appointee*
Legislative Appointee**
Gubernatorial Appointee - County Recommendation ***

PhilaPort
THE PORT OF PHILADELPHIA

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www.philaport.com

EXHIBIT "A"
RESOLUTION NO. XX
August 19, 2026

TO: PHILAPORT BOARD OF DIRECTORS

FROM: George Hutchinson
Director of Finance

DATE: AUGUST 19, 2026

RE: **<u>AUTHORIZATION TO ACQUIRE 5101 and 5115R SOUTH BROAD STREET</u>**

PhilaPort proposes to purchase 5101 and 5115 R. South Broad Street, Philadelphia, PA to relocate its offices. Key elements include:

- Premises - 5101 and 5115R South Broad Street is comprised of three (3) commercial buildings across two (2) tax parcels

- Purchase Price - $22.6M subject to certain conditions, contingencies, and approvals.

AUTHORIZATION OF PROPERTY ACQUISITION AND FINANCING FOR PHILAPORT HEADQUARTERS AND MARITIME COMPLEX

Philadelphia Regional Port Authority

Resolutions No. 2026-XX
August 19, 2026

WHEREAS, the Philadelphia Regional Port Authority ("PhilaPort") has identified the properties located at 5101 and 5115R South Broad Street, Philadelphia, Pennsylvania, within the Philadelphia Navy Yard, as strategically significant assets to support PhilaPort's long-term operational, administrative, maritime, and economic development objectives; and

WHEREAS, the acquisition of these properties will establish a permanent PhilaPort Headquarters and Maritime Complex in the heart of the Navy Yard, creating a centralized location for executive offices, administration, maritime operations, industry collaboration, and future growth initiatives; and

WHEREAS, the properties are currently occupied by tenants under lease agreements extending through 2028 and 2029 and generate approximately $1.8 million in annual rental revenue, subject to annual CPI adjustments, providing an ongoing revenue stream to offset acquisition costs;

WHEREAS, PhilaPort staff has negotiated financing proposals with First Trust Bank to fund the acquisition, including:

- A 5-year balloon / 25-year amortization loan at an interest rate of 5.90%, with estimated monthly principal and interest payments of approximately $114,876; or
- A 7-year balloon / 25-year amortization loan at an interest rate of 6.50%, with estimated monthly principal and interest payments of approximately $121,537; and

WHEREAS, management has recommended that the Board authorize the acquisition and financing of the properties and permit the Executive Director and Chief Executive Officer to select the financing structure determined to be in the best financial interest of PhilaPort at closing.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors hereby approves the acquisition of the properties located at 5101 and 5115R South Broad Street, Philadelphia, Pennsylvania, for the purpose of establishing PhilaPort's Headquarters and Maritime Complex.

2. The Board authorizes financing of the acquisition through First Trust Bank, including either:
    - the 5-year balloon / 25-year amortization structure at 5.90%; or
    - the 7-year balloon / 25-year amortization structure at 6.50%;

and authorizes management to select the alternative that provides the greatest overall benefit to PhilaPort based upon market conditions and final negotiated terms.

3. The Board authorizes the use of approximately $5 million in available funds as the equity contribution/down payment toward the acquisition and the financing of the remaining balance through the approved loan structure

4. The Executive Director and Chief Executive Officer, with the advice of the Chief Counsel, is authorized and directed to negotiate, execute, acknowledge, and deliver all agreements, loan documents, certificates, settlement statements, instruments, and other documents necessary or appropriate to consummate the acquisition and financing contemplated by this Resolution.

5. All prior actions taken by officers, employees, or agents of PhilaPort in furtherance of the acquisition and financing are hereby ratified, confirmed, and approved.

6. This Resolution shall take effect immediately upon adoption.

AUTHORIZATION OF PROPERTY ACQUISITION AND FINANCING FOR PHILAPORT HEADQUARTERS AND MARITIME COMPLEX
Philadelphia Regional Port Authority

Resolutions No. 2026-XX
August 19, 2026

MOVED:

SECONDED:

APPROVAL:

Qualified Majority Required: YES

Pearson*

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MEMORANDUM

To: Philadelphia Regional Port Authority
Board of Directors

From: George Hutchinson
Director of Finance

Date: Aug 19, 2026

RE: **AUTHORIZATION OF PROPERTY ACQUISITION AND FINANCING FOR PHILAPORT HEADQUARTERS AND MARITIME COMPLEX**

Background

PhilaPort seeks financing to acquire the parcels at 5101 & 5115R S. Broad Street Philadelphia, PA.

The financing options currently include the following, subject to market conditions:

- $18MM
- Term Options;
  - 5/25 @ 5.90% = $114,876 approx. principal & int monthly payments
  - 7/25 @ 6.50% = $121,537 approx. principal & int monthly payments

Recommendation

Staff recommends that the Board approve Resolution authorizing the acquisition of 5101 and 5115R South Broad Street and the related financing through First Trust Bank. The acquisition will establish PhilaPort's permanent headquarters and maritime complex within the Philadelphia Navy Yard while generating ongoing rental revenue from existing tenants. Staff further recommends that the Executive Director and CEO be authorized to select the most advantageous financing option and execute all documents necessary to complete the transaction.

ADOPTION OF TAX CONSULTANT

Philadelphia Regional Port Authority

Resolutions No. 2026-xx
Aug 19, 2026

WHEREAS, PhilaPort is an independent agency of the Commonwealth of Pennsylvania and, as a tax-exempt entity, is exempt from federal excise taxes and state and local sales and use taxes on purchases made directly by PhilaPort or by contractors acting on its behalf; and

WHEREAS, Boardwalk Consulting Group, LLP ("BCG"), as more particularly described in the proposal attached hereto as **Exhibit A** and incorporated herein by reference, has proposed to review PhilaPort's records for applicable prior tax periods to identify sales and use taxes that may have been paid in error and, where appropriate and upon mutual agreement, assist PhilaPort in pursuing and filing refund claims with the appropriate taxing authorities; and

WHEREAS, BCG will also provide ongoing advisory support to PhilaPort regarding sales and use tax matters and, in connection with these services, PhilaPort will authorize BCG to review relevant documents and records related to the applicable tax periods; and

WHEREAS, the Board of Directors has reviewed and finds it to be in the best interests of PhilaPort to approve the proposed Professional Services Agreement with BCG;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors of PhilaPort hereby authorizes the retention of Boardwalk Consulting Group, LLP to perform a review of applicable tax periods for the purpose of identifying potential sales and use tax savings and refund opportunities available to PhilaPort.
2. The Executive Director and Chief Executive Officer, with the advice and assistance of Chief Counsel, is hereby authorized and directed to negotiate the final terms and conditions of the Professional Services Agreement and to execute, acknowledge, and deliver such agreements, amendments, certificates, and other documents as may be necessary or appropriate to effectuate the intent of this Resolution.
3. Any actions previously taken by the officers or employees of PhilaPort in furtherance of the foregoing are hereby ratified and approved.
4. or other instruments as may be necessary to effectuate such arrangements

ADOPTION OF TAX CONSULTANT

Philadelphia Regional Port Authority

Resolutions No. 2026-xx
Aug 19, 2026

MOVED:

SECONDED:

APPROVAL:

Qualified Majority Required: YES

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MEMORANDUM

To: Philadelphia Regional Port Authority
Board of Directors

From: George Hutchinson
Director of Finance

Date: Aug 19, 2026

RE: **ADOPTION OF TAX CONSULTANT**

Background

PhilaPort seeks to engage Boardwalk Consulting Group, LLP ("BCG") to provide professional consulting services related to the review of sales and use taxes paid on purchases associated with various capital projects and operating expenditures.

As a tax-exempt entity, PhilaPort may be eligible for refunds of taxes paid in error. BCG will review historical expenditures, identify any potential tax recovery opportunities, provide recommendations to management, and, upon approval, prepare and file refund claims with the appropriate taxing authorities on PhilaPort's behalf.

The proposed engagement includes the following compensation structure:

Service	Contingency / Fee	Tax Savings
Sales & Use Tax Refund Review	35%	All Amounts
Sales & Use Tax - Continued Support / "On Call"	No Fee	

Recommendation

Staff recommends that the Board authorize the Executive Director to execute a Professional Services Agreement with Boardwalk Consulting Group, LLP to review applicable expenditures and receipts from selected tax periods to determine whether sales and use taxes were paid erroneously. If overpayments are identified, BCG will assist PhilaPort in pursuing and filing refund claims with the appropriate taxing authorities.

This engagement is intended to ensure that PhilaPort fully realizes its tax-exempt status and recovers any eligible tax overpayments.

AUTHORIZATION TO SUBMIT 2026 PORT SECURITY GRANT PROGRAM (PSGP) GRANT APPLICATION

Philadelphia Regional Port Authority

Resolution No. 2026-xx
August 19, 2026

WHEREAS, the Philadelphia Regional Port Authority ("PhilaPort") has been authorized under Section 6 of the Act of July 10, 1989, P.L. 291, 55 P.S. Section 697 et seq. of the General Assembly of the Commonwealth of Pennsylvania (the "PRPA Act") to promote, apply for and accept grants for the purposes of advancing regional port facilities and port-related projects to include furtherance of cooperative state efforts; and

WHEREAS, the United States Department of Homeland Security announced federal funding for the 2026 Port Security Grant Program (PSGP); and

WHEREAS, eligible projects include port security equipment projects; and

WHEREAS, the staff of PhilaPort has a port security project that would benefit the region if grant funding is received; and

WHEREAS, the Board of PhilaPort has determined, on the basis of information provided to it, to approve submission of a grant application.

NOW, THEREFORE, BE IT RESOLVED:

1. That PhilaPort hereby authorizes its staff to apply for grant funding through the United States Department of Homeland Security's 2026 Port Security Grant Program (PSGP); for the Tioga Marine Terminal Modernized Gate & Warehouse Security and PhilaPort Cruise Terminal Site Enhancement, as the projects listed in Exhibit "A" and in the formal grant application submitted on July 24, 2026.

2. The Executive Director and CEO of PhilaPort, with the advice of its Chief General Counsel, is hereby authorized and directed to negotiate the specific terms and conditions of the agreements and the Executive Director and CEO is hereby authorized and directed to execute, acknowledge and deliver on behalf of PhilaPort any agreements, documents or other instruments as may be necessary to effectuate such arrangements.

AUTHORIZATION TO SUBMIT 2026 PORT SECURITY GRANT PROGRAM (PSGP) GRANT APPLICATION

Philadelphia Regional Port Authority

Resolution No. 2026-xx
August 19, 2026

MOVED:

SECONDED: APPROVAL:

Qualified Majority Required:YES

Pearson*

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Gubernatorial Appointee - County Recommendation ***

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MEMORANDUM

To: Philadelphia Regional Port Authority
Board of Directors

From: Valerie Piper
Grant Compliance Administrator

Date: August 14, 2026

RE: **SUBMIT 2026 PORT SECURITY GRANT PROGRAM (PSGP) GRANT (Department of Homeland Security)**

Background

United States Department of Homeland Security (DHS) and Federal Emergency Management Agency (FEMA) announced $95 Million for the 2026 Port Security Grant Program (PSGP). PSGP is part of a comprehensive set of measures authorized by Congress and implemented by the DHS/FEMA Administration to support increased port-wide risk management and protect critical marine transportation system infrastructure from acts of terrorism, major disasters, and other emergencies.

PhilaPort submitted a grant application on July 24, 2026, seeking funding for two terminal improvement projects: (1) security enhancements and warehouse modernization at Tioga Marine Terminal and (2) installation of new security lighting and camera systems at the PhilaPort Cruise Terminal. The combined project cost is $1,477,631, with a requested federal share of $1,000,000.

At Tioga Marine Terminal, the gate and warehouse modernization project includes construction of a new security center and implementation of a unified video surveillance, access control, and security management platform. These improvements are required to meet U.S. Customs and Border Protection (CBP) security standards and will strengthen screening, threat detection, access control, identity verification, and overall supply chain security.

At the PhilaPort Cruise Terminal, the project will install five integrated lighting and security camera systems at key locations, including the main entrance, rideshare parking area, and service road. These enhancements will improve visibility and security monitoring for staff and visitors throughout the terminal site.

Recommendation

Staff requests that the Board authorize PhilaPort's submission of the application to the Department of Homeland Security 2026 PSGP for the Tioga Marine Terminal Modernized Gate & Warehouse Security and PhilaPort Cruise Terminal Site Enhancement projects.